

**STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION**

**APPLICATION OF COTERRA ENERGY CO.  
FOR A COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO**

**Case No.** \_\_\_\_\_

**APPLICATION**

Coterra Energy Operating Co. ("Coterra"), OGRID No. 215099, pursuant to its change of name from Cimarex Energy Co. to Coterra,<sup>1</sup> and through its undersigned attorneys, hereby files this Application with the Oil Conservation Division ("Division") pursuant to the provisions of NMSA 1978, Section 70-2-17, for an order pooling all uncommitted mineral interests in the Bone Spring formation, from the top of the Bone Spring to the base of the Second Bone Spring, excluding the Third Bone Spring formation that is encompassed in the Wolfbone Pool, underlying a standard 320-acre, more or less, spacing and proration unit comprised of the W/2 W/2 of Sections 12 and 13, Township 19 South, Range 34 East, NMPM, Lea County, New Mexico.

In support of its Application, Coterra states the following:

1. Coterra is a working interest owner in the proposed horizontal spacing and proration unit ("HSU") and has a right to drill a well thereon.
2. This Application, updated from the application filed in Case No. 23295, seeking to pool all of the Bone Spring formation except for the Third Bone Spring that has been included in the Wolfbone Pool, is filed in competition with the updated application filed by Pride Energy Company ("Pride"), that updated the application it filed in Case No. 22853.

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<sup>1</sup> Cimarex Energy Co. has changed its name to Coterra Energy Co., by Certificate of Amendment with the Secretary of the State of Delaware.

3. Coterra proposes and dedicates to the HSU two initial wells: the **Showbiz 13-12 State Com 101H Well**, and the **Showbiz 13-12 State Com 201H Well**, to be drilled to sufficient depths to test the First and Second Bone Spring formations.

4. Coterra proposes the **Showbiz 13-12 State Com 101H Well**, an oil well, to be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 13 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 12.

5. Coterra proposes the **Showbiz 13-12 State Com 201H Well**, an oil well, to be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 13 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 12.

6. The proposed wells are orthodox in their location, and the take points and completed interval comply with setback requirements under the statewide rules.

7. Coterra's good-faith review of the Division records revealed no apparent overlapping units; if an overlapping unit should be discovered, the Applicant will provide notice to affected persons during the permitting process pursuant to Rule 19.15.15.12B(1).

8. Coterra has sought in good faith but has been unable to obtain voluntary agreement from all interest owners to participate in the drilling of the wells or in the commitment of their interests to the wells for their development within the proposed HSU.

9. The pooling of all interests in the Bone Spring formation within the proposed HSU, and creation of the spacing unit, will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.

10. In order to provide for its just and fair share of the oil and gas underlying the subject lands, Coterra requests that all uncommitted interests in this HSU be pooled and that Coterra be designated the operator of the proposed horizontal wells and HSU.

WHEREFORE, Coterra requests that this Application be set for a hearing on October 9th, 2025, before an Examiner of the Oil Conservation Division, and after notice and hearing as required by law, the Division enter an order:

A. Pooling all uncommitted mineral interests in the Bone Spring formation (from the top of the Bone Spring to the base of the Second Bone Spring) underlying a standard 320-acre, more or less, spacing unit comprised of the W/2 W/2 of Sections 12 and 13, Township 19 South, Range 34 East, NMPM, Lea County, New Mexico;

B. Approving two initial wells for the HSU: the **Showbiz 13-12 State Com 101H Well**, and the **Showbiz 13-12 State Com 201H Well**;

C. Designating Coterra as operator of this HSU and the horizontal wells to be drilled thereon;

D. Authorizing Coterra to recover its costs of drilling, equipping, and completing the wells;

E. Approving actual operating charges and costs of supervision, to the maximum extent allowable, while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and

F. Setting a 200% charge for the risk assumed by Coterra in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

ABADIE & SCHILL, PC

/s/ Darin C. Savage

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***Attorneys for Coterra Energy Operating Co.***

***Application of Coterra Energy Operating Co. for a Compulsory Pooling, Lea County, New Mexico.*** Applicant in the above-styled cause seeks an order pooling all uncommitted mineral interests in the Bone Spring formation, from the top of the Bone Spring to the base of the second Bone Spring, excluding the Third Bone Spring formation encompassed in the Wolfbone Pool, underlying a standard 320-acre, more or less, spacing and proration unit comprised of the W/2 W/2 of Sections 12 and 13, Township 19 South, Range 34 East, NMPM, Lea County, New Mexico. The proposed wells to be dedicated to the horizontal spacing unit are as follows: the **Showbiz 13-12 State Com 101H Well**, an oil well, to be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 13 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 12; and the **Showbiz 13-12 State Com 201H Well**, an oil well, to be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 13 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 12. The wells will be orthodox, and the take points and completed intervals will comply with the setback requirements under the statewide Rules; also to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the wells and unit; and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 15.5 miles north-northeast of Halfway, New Mexico.